



Committee backs CA incentive extension

Details being worked out on A.B. 1069 to beat legislative deadline

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By Dave McNary

Legislation for an extension of California's film production incentive program has received backing from the State Senate Appropriations committee.

The panel agreed Thursday to send Assembly Bill 1069 to the Senate floor -- but with some key details still to be worked out, such as the number of years before the entire Senate votes on the bill. If the panel had not acted Thursday, the bill would have been suspended until next year's legislative sessions.

The California Assembly approved the bill on a 77-1 vote in June. That version included a five-year extension of California's Film & Television Tax Credit Program, which has allocated \$400 million in credits so far.

The program -- aimed at halting runaway production -- is slated to end in fiscal year 2013-14, with the last credits to be allocated by July 2012. It offers significantly smaller incentives than other states, with a maximum 25% credit and a total of \$500 million in credits over five years.

California Film Commissioner Amy Lemisch, who administers the credits program, noted this week that producers aren't able to use the credits until after post-production is completed, long after its positive economic impact is generated -- estimated in a study at \$2.8 billion over its first three years.

Earlier this week, New York announced that a record 23 TV series were lensing in the state this year on the heels of the legislature's five-year renewal of its film incentive tax program. New York State offers a 30% refundable state tax credit, capped at \$420 million per year; New York City offers an additional 5% refundable credit, capped annually at \$30 million.

[Committee Backs CA Incentive Extension](#)

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